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Review of the efficiency of the administrative and financial functioning of the United Nations

Report of the Fifth Committee

Rapporteur: Ms. Nicole Ann Mannion (Ireland)

I. Introduction

1. At its 2nd plenary meeting, on 17 September 2010, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its sixty-fifth session the item entitled "Review of the efficiency of the administrative and financial functioning of the United Nations" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 3rd, 23rd, 24th and 27th meetings, on 6 October and 15 and 23 December 2010. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/65/SR.3, 23, 24 and 27).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Comprehensive report of the Secretary-General on United Nations procurement activities (A/64/284);

(b) Comprehensive report of the Secretary-General on United Nations procurement activities: procurement governance arrangements within the United Nations (A/64/284/Add.1);

(c) Comprehensive report of the Secretary-General on United Nations procurement activities: sustainable procurement (A/64/284/Add.2);

(d) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/64/501);

(e) Report of the Secretary-General on the proposed programme budget outline for the biennium 2012-2013 (A/65/560 and Corr.1);



(f) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/65/611);

(g) Report of the Office of Internal Oversight Services on the audit of procurement management in the Secretariat (A/64/369);

(h) Notes by the Secretary-General transmitting the report of the Joint Inspection Unit entitled "Offshoring in United Nations system organizations: offshore service centres" and his comments and those of the United Nations System Chief Executives Board for Coordination thereon (A/65/63 and Add.1);

(i) Notes by the Secretary-General transmitting the report of the Joint Inspection Unit entitled "Environmental profile of the United Nations system of organizations" and his comments and those of the United Nations System Chief Executives Board for Coordination thereon (A/65/346 and Add.1).

II. Consideration of proposals

A. Draft resolution A/C.5/65/L.24

4. At its 27th meeting, on 23 December, the Committee had before it a draft resolution entitled "Procurement" (A/C.5/65/L.24), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of Nicaragua.

5. At the same meeting, the Committee adopted draft resolution A/C.5/65/L.24 without a vote (see para. 8, draft resolution I).

B. Draft resolution A/C.5/65/L.25

6. At its 27th meeting, on 23 December, the Committee had before it a draft resolution entitled "Proposed programme budget outline for the biennium 2012-2013" (A/C.5/65/L.25), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of Brazil.

7. At the same meeting, the Committee adopted draft resolution A/C.5/65/L.25 without a vote (see para. 8, draft resolution II).

III. Recommendations of the Fifth Committee

8. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I **Procurement**

The General Assembly,

Having considered the comprehensive report of the Secretary-General on United Nations procurement activities,¹ the comprehensive report of the Secretary-General on United Nations procurement activities: procurement governance arrangements within the United Nations,² the comprehensive report of the Secretary-General on United Nations procurement activities: sustainable procurement,³ the related report of the Advisory Committee on Administrative and Budgetary Questions⁴ and the report of the Office of Internal Oversight Services on the audit of procurement management in the Secretariat,⁵

Having also considered the report of the Joint Inspection Unit on offshoring in United Nations system organizations⁶ and on the environmental profile of the United Nations system of organizations,⁷ as well as the notes by the Secretary-General transmitting his comments and those of the United Nations System Chief Executives Board for Coordination thereon,⁸

1. *Requests* the Secretary-General to submit an updated comprehensive report on procurement activities for consideration by the General Assembly at the first part of its resumed sixty-seventh session;

2. *Decides* to consider further the reports referenced in the present resolution at the first part of its resumed sixty-seventh session.

¹ A/64/284.

² A/64/284/Add.1.

³ A/64/284/Add.2.

⁴ A/64/501.

⁵ A/64/369.

⁶ See A/65/63.

⁷ See A/65/346.

⁸ A/65/63/Add.1 and A/65/346/Add.1.

Draft resolution II

Proposed programme budget outline for the biennium 2012-2013

The General Assembly,

Reaffirming its resolution 41/213 of 19 December 1986, in which it requested the Secretary-General to submit in off-budget years an outline of the proposed programme budget for the following biennium,

Reaffirming also section VI of its resolution 45/248 B of 21 December 1990,

Reaffirming further rule 153 of its rules of procedure,

Recalling its resolution 58/269 of 23 December 2003,

Having considered the report of the Secretary-General on the proposed programme budget outline for the biennium 2012-2013¹ and the recommendations contained in the related report of the Advisory Committee on Administrative and Budgetary Questions,²

1. *Endorses* the observations and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;²

2. *Reaffirms* that the Fifth Committee is the appropriate Main Committee of the General Assembly entrusted with responsibilities for administrative and budgetary matters;

3. *Emphasizes* that the proposed programme budget outline should be submitted sufficiently early in order that it may serve as a practical tool in the budget preparation process and, in this regard, requests the Secretary-General to issue future budget outlines at least thirty days prior to their scheduled introduction, but no later than 15 November of the off-budget year;

4. *Reaffirms* that the budget outline should provide a greater level of predictability of resources required for the following biennium and promote greater involvement of Member States in the budgetary process, thereby facilitating the broadest possible agreement on the programme budget;

5. *Also reaffirms* that the proposed programme budget outline shall contain an indication of the following:

(a) A preliminary estimate of resources needed to accommodate the proposed programme of activities during the biennium;

(b) Priorities, reflecting general trends of a broad sectoral nature;

(c) Real growth, positive or negative, compared with the previous budget;

(d) Size of the contingency fund expressed as a percentage of the overall level of resources;

6. *Notes* that the budget proposal will reflect the benefit of further reviews of possible obsolete activities, additional cost-effective measures and simplified procedures and, in this regard, requests the Secretary-General to rigorously pursue this in accordance with regulation 5.6 of the Regulations and Rules Governing

¹ A/65/560 and Corr.1.

² A/65/611.

Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation,³ and established practices;

7. *Reaffirms* that the budget proposals of the Secretary-General should reflect resource levels commensurate with mandates for their full, efficient and effective implementation;

8. *Stresses* that the budget outline is a preliminary estimate of resources;

9. *Invites* the Secretary-General to prepare his proposed programme budget for the biennium 2012-2013 on the basis of a preliminary estimate of 5,396,697,200 United States dollars at revised 2010-2011 rates;

10. *Decides* that the proposed programme budget for the biennium 2012-2013 shall contain provisions for re-costing on the basis of the existing methodology;

11. *Reiterates its request* to the Secretary-General to include, in the proposed programme budget for the biennium 2012-2013, the total amount of resources that he should have at his disposal, from all sources of financing, in order to implement fully all mandated programmes and activities;

12. *Notes* that the preliminary estimates provided by the Secretary-General for the proposed programme budget for the biennium 2012-2013 do not include provisions for the implementation of those requirements that are under discussion by the General Assembly and that the requirements pertinent to the regular budget should be reflected in the programme budget for the biennium 2012-2013, subject to approval by the Assembly and in accordance with its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987;

13. *Decides* that the priorities for the biennium 2012-2013 shall be the following:

(a) Promotion of sustained economic growth and sustainable development, in accordance with the relevant resolutions of the General Assembly and recent United Nations conferences;

(b) Maintenance of international peace and security;

(c) Development of Africa;

(d) Promotion of human rights;

(e) Effective coordination of humanitarian assistance efforts;

(f) Promotion of justice and international law;

(g) Disarmament;

(h) Drug control, crime prevention and combating international terrorism in all its forms and manifestations;

14. *Requests* the Secretary-General to reflect the priorities outlined in paragraph 13 above when presenting the proposed programme budget for the biennium 2012-2013;

³ ST/SGB/2000/8.

15. *Reaffirms its request* to the Secretary-General to propose, in future budget submissions, measures to offset budget increases, wherever possible, without undermining the implementation of mandated programmes and activities;

16. *Decides* that the contingency fund shall be set at the level of 0.75 per cent of the preliminary estimate, namely, at 40,475,200 United States dollars, that this amount shall be in addition to the overall level of the preliminary estimate, and that it shall be used in accordance with the procedures for the use and operation of the contingency fund.